

# Information Note RE Apple Escrow Fund and Third Country Adjustment

From [Department of Finance \(/en/organisation/departement-of-finance/\)](/en/organisation/departement-of-finance/)

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## Escrow Fund

As at 9th September the value of the Escrow Fund was in the order of €14.1 billion. The Escrow Fund is invested in short-dated, highly rated, liquid fixed income instruments which will be realised over the coming months. Funds will be released from Escrow following the issue of tax assessments by the Revenue Commissioners, and in accordance with the Escrow Framework Deed. Tax payments will be paid to the Revenue Commissioners, and in turn to the Exchequer. The full balance in the Fund, after fees and operational expenses are paid, will accrue to the State. These processes are likely to take at least 6 months.

## Third Country Adjustment

In its original State aid decision, the Commission noted that there was a possibility that other countries, i.e. “third countries”, may seek to tax some of the profits which the Commission were proposing to allocate to the Irish branches of the Apple companies. In that event, the Commission noted that the amount of State aid would therefore be reduced from the headline figure they had proposed. The escrow arrangements took this possibility into account and a mechanism was agreed whereby, in the event of such claims, a payment out of the escrow fund could be made to Apple, in order to account for the profits taxed in third countries and not therefore falling to Ireland.

The making of these adjustments is not dependent on the outcome of the legal proceedings in the European courts. Such third country adjustments have taken place on two occasions since the establishment of the Fund, with a total of €455m paid out

in third country adjustments since 2019. €209m was returned to Apple during 2019. A further third country adjustment took place in May 2021 for €246m.

The Department of Finance is not currently aware of any further such claims, which would arise if third countries claim that taxes were due by these companies in those jurisdictions. Such claims would fall to be determined by the legal rules of the countries concerned. Third country adjustments are determined by the Minister and may involve Revenue assistance.

**ENDS**

[Government notes CJEU Judgment in Apple State aid case \(/en/press-release/11bb0-government-notes-cjeu-judgment-in-apple-state-aid-case/\)](/en/press-release/11bb0-government-notes-cjeu-judgment-in-apple-state-aid-case/)

[Statement by Minister Chambers on judgement by the Court of Justice of the European Union in the Apple State aid case \(/en/speech/361b9-statement-by-minister-chambers-on-judgement-by-the-court-of-justice-of-the-european-union-in-the-apple-state-aid-case/\)](/en/speech/361b9-statement-by-minister-chambers-on-judgement-by-the-court-of-justice-of-the-european-union-in-the-apple-state-aid-case/)

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